these permit people to become citizens of India while retaining ctizenship of the U.K. and hold British passports;

(b) if so, in what manner the rules of Foreign Exchange Regulation Act apply to such individuals holding dual citizenship; and

(c) what are the details of the circumstances permitting dual citizenship to Indian citizens?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI P. CHIDAMBARAM): (a) No, Sir. There is no provision in the Citizenship Act, 1955 or the Rules made thereunder, namely the Citizenship Rules, 1956 for the grant of dual citizenship. Under our Citizenship law, any citizen of Inda will cease to be a citizen of India if he voluntarily acquires the citizenship of another country.

(b) and (c) Do not arise in view of (a) above.

Conversion of debentures of Reliance Industries Ltd.

1549. SHRI CHIMANBHAI MEHTA:
CHOWDHARY RAM SEWAK:

Will the Minister of FINANCE be pleased to state:

(a) what was the criteria adopted in not allowing the conversion of 'E' and 'F' series non-convertible Debentures of Reliance Industries Limited in 1986;

(b) what were the details of guidelines prevailing in 1986 and at present; and

(c) what are the reasons for not approving the proposals?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c) As per guidelines, for fresh issue of debentures by public limited companies, issued on 15-9-84, the companies had the option of getting, the non-convertible debentures or non-convertible portion of convertible debentures, converted into equity fully with the approval of and at such price as may be determined by the Controller of Capital Issues. A debentureholder, would, however, be free not to exercise this right. It was noted that this policy was leading to undue speculation in the debentures of certain compaines, on the expectation of a possible conversion at some future date, and this affected the interest of general investors as they were neither aware of the clear intention of the companies regarding conversion nor the view the Government would take on such proposals. With a view to setting such doubts and speculation at rest, a decision was taken on 10-6-86 not to permit conversion of non-convertible debentures and the non-convertible portion of partially convertible debentures into equity shares, unless such permission was obtained at the time of issue of such debentures. In view of this policy, M/s. Reliance Industries Ltd. were not allowed to convert the non-convertible portion of 'E' Series Debentures and 'F' Series non-convertible Debentures.

Excise Duty on Indigenous Synthetic Fabrics

1550. CHOWDHARY RAM SEWAK: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that excise duty on indigenous synthetic fabrics is being estimated on the basis of retail price of synthetic fabrics;

(b) whether it is a fact that Government charge excise duty on ex-factory price;

(c) if so, what are the reasons for adopting dual policy; and

(d) whether it is a fact that excise rate on polyester sarees, shirting and suiting is 48 per cent to 70 per cent on ex-factory price?